

June 14, 2006

The Regular Meeting of the Rockingham County Board of Supervisors was held on Wednesday, June 14, 2006, at 3:00 p.m. at the Rockingham County Administration Center, Harrisonburg, Virginia. The following members were present:

PABLO CUEVAS, Election District #1
CHARLES W. AHREND, Election District #2
WILLIAM B. KYGER, JR., Election District #4
MICHAEL A. BREEDEN, Election District #5

The following member was absent:

DEE E. FLOYD, Election District #3

Also present:

JOSEPH S. PAXTON, County Administrator
G. CHRIS BROWN, County Attorney
STEPHEN G. KING, Deputy County Administrator
JAMES L. ALLMENDINGER, Director of Finance
WENDELL J. EBERLY, Director of Recreation & Facilities
FRANKLIN P. O'BYRNE, Information Systems Director
DIANA C. STULTZ, Zoning Administrator
ROBERT A. SYMONS, Fire & Rescue Chief
WILLIAM L. VAUGHN, Director of Community Development
DOTTIE L. BOWEN, Deputy Clerk
DONALD F. KOMARA, Resident Engineer
Virginia Department of Transportation

oooooOooooo

CALL TO ORDER
PLEDGE OF ALLEGIANCE
INVOCATION.

Chairman Breeden called the meeting to order at 3:00 p.m.

Community Development Director Vaughn led the Pledge of Allegiance, and Vice-Chairman Kyger gave the Invocation.

oooooOooooo

APPROVAL OF MINUTES.

On motion by Supervisor Kyger, seconded by Supervisor Ahrend and carried by a vote of 4 to 0, voting recorded as follows: AHREND - AYE; BREEDEN - AYE; CUEVAS - AYE; KYGER - AYE; the Board approved the Minutes of the Meeting held on May 24, 2006.

oooooOooooo

TRANSPORTATION DEPARTMENT.

The Board heard Mr. Komara's report on the activities of the Transportation Department.

He advised that, on June 19, 2006, VDOT would begin dust control activities on graveled roads in the County.

In response to a question from Supervisor Kyger, Mr. Komara said he was sure the Sheriff would provide increased enforcement on Nutmeg and on Flint Streets. He noted that signage would be examined and extra signs erected as needed.

Supervisor Ahrend asked that VDOT cut the overgrown vegetation around the area to be used for the Singers Glen Lawn Party. He reminded Mr. Komara to reschedule a meeting with George Arey concerning the need for hard-surfacing a road in District 2.

Supervisor Cuevas asked Mr. Komara to investigate with VDOT possible funding for upkeep of I-81.

Mr. Paxton noted the County had submitted comments concerning the needed improvements in the Port Republic Road area and asked what the next step would be. Mr. Komara advised that there was a timetable with the next step being to have a scoping hearing.

Mr. Paxton asked that copies of the public comments received by VDOT concerning the Southeast Connector study be made available to the County.

oooooOooooo

HOGPEN RUN ROAD DISABLED HUNTER ACCESS PROJECT.

The Board heard a presentation by Mr. Cliff Davis, requesting matching funding (with the National Forest Service and the City of Harrisonburg) for funding for the

Hogpen Run Road Disabled Hunter Access Project in the George Washington National Forest, a project consisting of the relocation of .38 miles of road and the reconstruction of .53 mile, for a total of .91 mile of road reconstruction. He advised that the Hogpen Run Disabled Hunter Access area includes 2.07 total miles of system road consisting of a 1.57 mile main road, and a 0.5 mile long spur road and that this project will increase the miles of road available to disabled hunters to a total of 2.98 miles. He noted that the Districts' Disabled Hunter program provides motorized access to disabled hunters on these roads which are closed to other public vehicle access, thus providing a safe environment in which to hunt. The District issues 50 to 75 permits to utilize the area in an average year. He explained that the District has applied for and received Centennial of Service Challenge funding in the amount of \$16,000 for this project, and the funding is to be matched on a 50:50 basis for this project. He noted that the group has been awarded a Wild Turkey Super Fund Grant from the local chapter of the National Wild Turkey Federation for \$5,500 and that those funds would be used to purchase the seed, lime and fertilizer for the project, as well as 250 tons of aggregate base. He noted that the total estimated cost of the project is \$32,000. He noted that \$7,000 was still unfunded and that he had been advised by Council members that the City of Harrisonburg was ready to agree to share in half the cost.

On motion by Supervisor Cuevas, seconded by Supervisor Kyger and carried by a vote of 4 to 0, voting recorded as follows: AHREND - AYE; BREEDEN - AYE; CUEVAS - AYE; KYGER - AYE; the Board appropriated \$3,500 for this project from the General Contingency, subject to the City of Harrisonburg making a commitment of \$3,500 for the project.

oooooOooooo

HOUSING - INDOOR PLUMBING/REHABILITATION PROGRAM.

The Board heard a presentation by Tom Carlsson and Roger Cooper, Waynesboro Redevelopment and Housing Authority, concerning the Indoor Plumbing Rehabilitation loan Program which provides 0% interest loans in no entitlement cities and counties of Virginia to low- and moderate-income owner-occupants of substandard housing where indoor plumbing does not exist or where the existing water delivery or waste disposal system has failed. They advised that the Waynesboro Redevelopment and Housing Authority administers the program for the City of Waynesboro and the Counties of Augusta, Bath, Highland, Page and Rockingham and noted that three projects a year are undertaken in each locality. They described the three projects in Elkton, Linville and Singers Glen that are presently planned for Rockingham County.

On motion by Supervisor Kyger, seconded by Supervisor Ahrend and carried by a vote of 4 to 0, voting recorded as follows: AHREND - AYE; BREEDEN - AYE; CUEVAS - AYE; KYGER - AYE; the Board noted its support of the program concurred

with continuing to use the current Administrator, the Waynesboro Housing Authority as the County's agent to administer the Virginia Indoor Plumbing Program for Rockingham County, with the understanding that there will be no cost to the County.

oooooOooooo

2006 VIRGINIA WATER QUALITY ASSESSMENT INTEGRATED REPORT.

The Board heard a presentation by Mr. James Shiflet, Regional Water Resources Planner, Department of Environmental Quality, concerning the 2006 Virginia Water Quality Assessment Integrated Report. He noted that the Clean Water Act required that the report be prepared for review by various parties before the hearing on this proposal which is scheduled for July 11, 2006. He described the process leading up to the plan's creation, the various elements involved, and the data sources used. He pointed out that the draft plan would be on the DEQ web site until July 10, 2007.

oooooOooooo

COUNTY ADMINISTRATOR'S STAFF REPORT.

The Board received and reviewed Mr. Paxton's staff report dated June 9, 2006, including information concerning economic development, National Association of Counties, (S.L. update (Sheaffer sewage treatment plant in Plains District), CSPDC grant applications (by Broadway Hometown Partnership and Shenandoah Valley Airport), Child Protective Services report and landfill matters.

On motion by Supervisor Kyger, seconded by Supervisor Cuevas and carried by a vote of 4 to 0, voting recorded as follows: AHREND - AYE; BREEDEN - AYE; CUEVAS - AYE; KYGER - AYE; the Board designated Vice Chairman Kyger as the County's voting delegate and Supervisor Ahrend as the alternate for the National Association of Counties meeting to be held in August 2006.

In regard to a proposal for relocation of rail service, from its current route north into Rockingham County, in an effort to improve the safety of motorists and pedestrians and to ensure timely response of emergency personnel, there was a consensus of the Board to note that such relocation, if it can be made cost effectively and along a route that will minimize negative impacts, will have positive benefits on regional transportation and the local economy and it will provide a benefit for the Railroad; and further noted that, with the understanding that the final site of the relocation would be agreeable to and have the approval of the Board, the County continues to support discussions that will result in the relocation of

the railroad.

oooooOooooo

COUNTY ATTORNEY'S STAFF REPORT.

The Board received and reviewed Mr. Brown's staff report dated June 9, 2006, including information on a water supply planning grant and procurement of an addition to the County Administration Center.

On motion by Supervisor Cuevas, seconded by Supervisor Kyger and carried by a vote of 4 to 0, voting recorded as follows: AHREND - AYE; BREEDEN - AYE; CUEVAS - AYE; KYGER - AYE; the Board adopted the following Resolution No. 06-09 regarding the Water Supply Planning Grant application.

Local and Regional Water Supply Planning
FY 2007 Grant Application

Whereas, the Virginia General Assembly has mandated the development of water supply plans throughout the Commonwealth; and the State Water Control Board has developed regulations to implement this planning process; and

Whereas, based upon these regulations, Rockingham County is required to complete a water supply plan that fulfills the regulations by November 2, 2011; and

Whereas, the Virginia Department of Environmental Quality has announced the availability of grant funds to assist localities to offset some of the costs related to the development of these plans and is encouraging localities to submit applications for grant funds using regional water supply plans; and

Whereas, regional water supply planning is a sensible approach to developing a water supply plan since watershed boundaries do not follow political boundaries and since there will likely be cost savings to all jurisdictions participating; and

Whereas, for purposes of this DEQ water supply grant fund program, Rockingham County will participate within a water supply region consisting of Rockingham County, the seven towns within Rockingham County, the City of Harrisonburg, and the City of Waynesboro; and

Whereas, this resolution does not bind each locality within the region as to how the final water supply plan is submitted to DEQ under 9 VAC 25-780, Local and Regional Water Supply Planning; and

Whereas, the Central Shenandoah Planning District Commission (CSPDC) has previously managed the development of successful regional plans and is a logical entity to organize and manage a regional water supply planning process; and

Whereas, CSPDC desires to participate in a regional water supply plan and desires to secure DEQ grant funds to help offset the cost of the plan development;

NOW, THEREFORE, BE IT RESOLVED that Rockingham County authorizes CSPDC to develop an application for water supply planning grant funds and to develop a regional water supply plan that will meet mandated regulations; and

BE IT FURTHER RESOLVED that William H. Strider, Executive Director of CSPDC, is authorized to sign the DEQ grant contract and other appropriate documents related to the source water planning grant and the regional source water supply plan, and

BE IT FURTHER RESOLVED that Rockingham County intends to provide up to \$5,000 in matching funds for the project.

There was a consensus to schedule a work session to discuss the Water Supply Study prepared by Draper Aden for 4:30 p.m. on June 28, 2006.

oooooOooooo

DEPUTY COUNTY ADMINISTRATOR'S STAFF REPORT.

The Board received and reviewed Mr. King's staff report dated June 9, 2006, including information on the Technological and Industrial Park (TIP), a proposed warehouse building, stream repairs and miscellaneous projects, issue and meetings.

In regard to the upcoming meeting scheduled on stream repairs, Supervisor Cuevas suggested that the officials who will make the decision on the matter be urged to attend the meeting.

oooooOooooo

FINANCE DIRECTOR’S STAFF REPORT.

On motion by Supervisor Cuevas, seconded by Supervisor Ahrend and carried by a vote of 4 to 0, voting recorded as follows: AHREND – AYE; BREEDEN – AYE; CUEVAS – AYE; KYGER – AYE; the Board approved the following Finance Committee recommendations.

- Authorized advertising a public hearing to be held on June 28, 2006, on the following amendments to the Fiscal Year 2005-2006 Adopted Budget. The purpose of these amendments is to provide funds to close-out FY05-06 for the general government, judicial, public safety, and public works functions of the General Fund and also provide funds to close-out FY05-06 for the School Capital Projects Fund, Asset Forfeiture Fund, Social Service District Fund, Central Stores Fund, Water & Sewer Utility Fund, Countryside Sanitary District Fund, and Solid Waste Fund.

**Proposed Amendment
Fiscal Year 2005-2006 Adopted Budget**

Revenues:

General Fund		
Revenue from the Commonwealth	\$	15,557
Federal grant revenue		16,000
Charges for service		213,000
Share of Costs – City		27,500
Balance Carried Forward		<u>2,806,500</u>
,		\$3,078,557
School Capital Projects Fund		
Transfer from General Fund		\$2,500,000*
Asset Forfeiture Fund		
Federal Forfeiture Revenue	\$	20,000
State Forfeiture Revenue		5,000
Balance Carried Forward		<u>30,000</u>
		\$ 55,000
Harrisonburg-Rockingham Social Service District Fund		
Public Assistance State	\$	50,000
Public Assistance Federal		<u>50,000</u>
		\$ 100,000
Central Stores Fund		
Charges for Service	\$	14,000
Water & Sewer Utility Fund		
Balance Carried Forward		\$ 361,000
Countryside Sanitary District		
General Property Taxes	\$	5,000
Solid Waste Fund		
Share of Costs – City		\$ 154,000

Balance Carried Forward	<u>256,000</u> \$ 410,000
Expenditures:	
General Fund	
General Government	\$ 213,000
Judicial	100,000
Public Safety	116,557
Public Works	149,000
Transfer to other funds	<u>2,500,000</u> \$3,078,557
 School Capital Projects Fund	
Capital Projects	\$2,500,000
 Asset Forfeiture Fund	
Judicial	\$ 55,000
 Harrisonburg-Rockingham Social Srvce Dist Fund	\$ 100,000
 Central Stores Fund	\$ 14,000
 Water & Sewer Utility Fund	
Water & Sewer Distribution	\$ 361,000
 Countryside Sanitary District	
Public Works	\$ 5,000
 Solid Waste Fund	
Refuse Disposal	\$ 410,000

oooooOooooo

PUBLIC WORKS DIRECTOR’S STAFF REPORT.

The Board received and reviewed Mr. Heidt’s staff report dated June 14, 2006, 2006, including information concerning schedule for Penn Laird Drive and Water Tower Road sewer (required easement being sought); McGaheysville WWTP (letter submitted to DEQ); Phase III Landfill extension (bid documents complete, authorization to advertise RFQ requested); Three Springs Water system analysis (final report to be made to Board on June 28); Pleasant Run Interceptor (Peed & Bortz authorized to proceed with water line design); Lily Gardens (draft consent received from VDH); City of Harrisonburg Waste to Energy Plant; Montevideo Water Booster Station Emergency Generator and Transfer Switch (Leon Electric contracted to complete project); and Highland Park and Belmont Sewage Lift Stations.

On motion by Supervisor Cuevas, seconded by Supervisor Kyger and carried by a vote of 4 to 0, voting recorded as follows: AHREND – AYE; BREEDEN – AYE; CUEVAS – AYE; KYGER – AYE; the Board authorized advertising an Invitation to Bid (ITB) on the landfill expansion project.

oooooOooooo

COMMUNITY DEVELOPMENT DIRECTOR'S STAFF REPORT.

The Board received and reviewed Mr. Vaughn's staff report dated June 14, 2006, including information concerning Planning Commission and BZA terms; priority projects under way, rezoning inquiries, Route 33 Access Management study, GIS mapping of utility infrastructure, summary of upcoming requests and tabled requests.

At Chairman Breeden's request, on motion by Supervisor Kyger, seconded by Supervisor Cuevas and carried by a vote of 4 to 0, voting recorded as follows: AHREND - AYE; BREEDEN - AYE; CUEVAS - AYE; KYGER - AYE; the Board removed from the table S06-15, request of J & S Land Development Co., LLC, for small contractor's business (storage and maintenance of carnival and lawn party rides) on property located on the northwest side of Bloomer Springs Road (Route 646) approximately 3/4 mile northwest of Spotswood Trail (Route 33) in Election District #5, zoned A2.

Chairman Breeden made the following statement.

"Once again this Board is called upon to balance the rights of an individual property owner with the rights of his or her neighbors. Rezoning and special use permits are some of the toughest issues that this Board faces and the application of J and S Land Development Company for a special use permit for the storage and maintenance of carnival equipment is no exception. I am very familiar with this property. Since the issue of J and S Land Development's use of the property arose, I have visited the property on numerous occasions. At one of our recent Board Meetings, this Board viewed the property. I have also met with the applicant and the residents of Bloomer Springs Road on numerous occasions and have had more conversations with those parties than I can count. I have tried to study the application carefully and take into consideration all the issues raised by J and S, the other residents of Bloomer Springs Road, and the requirements of the Rockingham County Code. The property in question is designated by the Rockingham County Comprehensive Plan as Agricultural Reserve. Agricultural Reserve is planned for agricultural uses and uses that support agriculture as a viable way of life and economic enterprise. The Comprehensive Plan does allow some commercial uses which generally support agriculture in the area and could provide supplemental income to the farm. Also, there are some existing commercial enterprises and residences in Agricultural Reserve but this Board traditionally tries to limit business and industrial development in Agricultural Reserve areas. The J and S property is zoned A-2 under the Rockingham County Zoning Ordinance. When I look at the purpose and intent set forth in the Rockingham County Zoning Ordinance for A-2 Districts, I find that the A-2 District is to provide separate areas for the establishment of agricultural related uses essential to support the uses in the Prime Agricultural District A-1. Those uses may contain existing low-density residential areas of a rural

character and is designed to promote a balance of productive agricultural land and agriculture related uses. It is also to serve as a buffer between prime agricultural areas and community service areas. The A-1 District also should maintain and encourage the rural, agricultural character of the land. I then looked at Section 17-27 of the Rockingham County Zoning Ordinance. That section sets out the standards for granting a special use permit in A-2 Districts. I found in Section 17-27 that to grant a special use permit the Board of Supervisors must find as a fact that the proposed use is compatible with surrounding uses, is not detrimental to the character of the adjacent land, is consistent with the intent of the zoning chapter of the Rockingham County Ordinance and that it is in the public's interest. Taking my direction from the Rockingham County Zoning Ordinance, the Comprehensive Plan, and the particular facts surrounding this Special Use Permit Application, I am unable to support the application. I know the principals in J and S L and Development and I heard the testimonials on their behalf at the public hearing that was held on their Special Use Permit Application. I have no doubt that they run a good family business and run it well. However, I do not believe that Bloomer Springs Road is the appropriate location for the storage of their carnival rides and vehicles. The Bloomer Springs Road area is rural in nature and more or less occupied by single family residences. I believe that allowing the storage of the carnival equipment is not consistent with and, in fact, would be detrimental to the character of the adjacent land and the general area around Bloomer Springs Road. Bloomer Springs Road is not a particularly good road. It is a country road which is not designed to handle a lot of traffic or to handle large vehicles such as the trucks and trailers necessary to haul the carnival rides and the other vehicles used with the carnival. The property in question is located on a very sharp turn on Bloomer Springs Road and I believe, after viewing the road and the property, that approving the special use permit by J and S would increase the danger on Bloomer Springs Road. When I reviewed all of these factors, most significantly the character of the neighborhood and the transportation and traffic issues and how those issues affect the safety and convenience of the existing residents and other travelers of Bloomer Springs Road, I just don't believe that the use sought in the Special Use Permit Request is appropriate for the area. I understand that for a good part of the year the carnival vehicles will not be on the property. This fact is not enough to overcome my concerns. Also, the property will be occupied by the carnival vehicles during the winter time, when there are more. For all these reasons, I would ask one of my fellow Board Members to come forward with a motion to deny this Special Use Application."

At Chairman Breeden's request, on motion by Supervisor Cuevas, seconded by Supervisor Kyger and carried by a vote of 4 to 0, voting recorded as follows: AHREND - AYE; BREEDEN - AYE; CUEVAS - AYE; KYGER - AYE; the Board denied S06-15, request of J & S Land Development Co., LLC, for small contractor's business (storage and maintenance of carnival and lawn party rides).

At Chairman Breeden's request, on motion by Supervisor Kyger, seconded by Supervisor Ahrend and carried by a vote of 4 to 0, voting recorded as follows: AHREND - AYE; BREEDEN - AYE; CUEVAS - AYE; KYGER - AYE; the Board removed from the table 06-30, request of SO6-30, Olde Town, LLC, for an increase in on-premise advertising sign to 165 sq. ft. and 30 feet in height on property located on the southwest side of Spotswood Trail (Route 33) and Island Ford Road (Route 649), Election District #5, zoned B2.

After some discussion regarding the size of the requested sign, at Chairman Breeden's request, on motion by Supervisor Kyger, seconded by Supervisor Ahrend and carried by a vote of 4 to 0, voting recorded as follows: AHREND - AYE; BREEDEN - AYE; CUEVAS - AYE; KYGER - AYE; the Board approved Olde Town, LLC, for an increase in on-premise advertising sign, subject to the following conditions.

- (1) The use shall be located in substantial accordance with plot plan as approved by the Board of Supervisors.
- (2) Sign shall comply with the Virginia Uniform Statewide Building Code, and the proper permits shall be obtained.
- (3) Sign shall be kept in good repair and if not kept in good repair shall be removed from the property.
- (4) If businesses advertised on the sign go out of business, that part of the sign shall be removed or covered within thirty (30) days from last date of operation.
- (5) The top section of the sign shall be not more than 6 feet in width at any point and the bottom section of the sign shall be no more than 8 feet in width at any point. The height of the sign shall be no more than 30 feet in grade measured from the parking lot. Total sign area shall be no greater than 150 square feet.

oooooOooooo

INFORMATION SYSTEMS DIRECTOR'S REPORT.

The Board received and reviewed Mr. O'Byrne's staff report dated June 8, 2006, including information concerning various projects.

oooooOooooo

FIRE AND RESCUE CHIEF'S STAFF REPORT.

The Board received and reviewed Chief Symons' staff report dated June 2, 2006, including information concerning activities in Training Division, Prevention Division, and Public Education.

At Supervisor Kyger's request, there was a consensus to ask the staff to recommend to the Board a site for a memorial to fallen firefighters.

oooooOooooo

RECREATION & FACILITIES DIRECTOR'S STAFF REPORT.

The Board received and reviewed Mr. Eberly's staff report dated June 8, 2006, including information concerning facilities and recreation programs.

oooooOooooo

RECESS FOR DINNER.

At 5:10 p.m., Chairman Breeden declared the meeting recessed for dinner until 6:30 p.m.

oooooOooooo

DEER MANAGEMENT.

At 6:30 p.m., Chairman Breeden called the meeting back to order.

Following presentations by officials from the VA Department of Game and Inland Fisheries, US Forest Service and the Shenandoah Valley Sportsman's Alliance, there was a consensus of the Board to express its support for incorporating revisions in the Deer Management Plan to encourage management techniques that will increase the population of deer in public land areas; to express its concern for the decline in the deer population, especially on public lands, over the past several years; to support actions to improve the habitat in the National Forest and a proposal to establish micromanagement areas that will limit the number of antlered deer that can be harvested and prohibit the harvesting of doe in the short term to help restore the herd in these areas, and to support actions by the Virginia Department of Game and Inland Fisheries Board to redistribute the deer population in the Rockingham County area. Further, the Board asked staff to send a letter to the appropriate elected officials stating that the County does not oppose the designation of areas within

the George Washington National Forest as inventoried roadless areas. However, the Board urges that, if Governor Warner's petition is approved and additional land within the George Washington National Forest is added to the inventoried roadless areas, adequate management exceptions be included in the George Washington National Forest Management Plan to allow for the promulgation and protection of certain wildlife areas, such as young growth forests, which provide adequate habitat for Rockingham County's deer population; and urged the U.S. Secretary of Agriculture to include the appropriate management exceptions to any plan regulating inventoried roadless areas in the George Washington National Forest.

oooooOooooo

RECESS FOR MEETING OF COUNTRYSIDE SANITARY DISTRICT BOARD OF DIRECTORS.

At 7:50 p.m., Chairman Breeden declared the meeting recessed for a meeting of the Countryside Sanitary District Board of Directors.

oooooOooooo

PUBLIC HEARING - ISSUANCE OF \$171,288 LEASE REVENUE BOND FOR COUNTRYSIDE SANITARY DISTRICT.

At 7:56 p.m., Chairman Breeden called the meeting back to order and declared it open for a public hearing on the proposed issuance of \$171,288 Lease Revenue Bond for Countryside Sanitary District.

As there were no requests to speak on this matter, Chairman Breeden declared the public hearing closed and called the regular meeting back to order.

On motion by Supervisor Kyger, seconded by Supervisor Ahrend and carried by a vote of 4 to 0, voting recorded as follows: AHREND - AYE; BREEDEN - AYE; CUEVAS - AYE; KYGER - AYE; the Board adopted the following resolution.

RESOLUTION

AUTHORIZING THE ISSUANCE, SALE AND AWARD OF A

**\$171,288 ROCKINGHAM COUNTY, VIRGINIA
LEASE REVENUE WATER SYSTEM BOND, SERIES 2006,
AND PROVIDING THE FORM AND DETAIL THEREOF**

WHEREAS, pursuant to a Court Order duly entered in the Clerk's Office of the Circuit Court of Rockingham County, Virginia, on December 27, 2001, the Countryside Sanitary District ("Countryside") was duly created in Rockingham County, Virginia (the "County"); and

WHEREAS, general statutory provisions governing Countryside, as a judicially established sanitary district located in the Commonwealth of Virginia, are set forth in Chapter 2 of Title 21, Sections 21.112.22 - 21.140.3 et seq. (the "Sanitary District Act"); and

WHEREAS, under the Sanitary District Act, the Board of Supervisors of the County (the "Board") is the governing body Countryside, and acts on its behalf; and

WHEREAS, Countryside has acquired the necessary easements (whether now owned or hereafter acquired by the County or Countryside, the "Easements") and, further, has solicited bids for the construction, reconstruction, expansion and equipping of the Countryside water system, including the connection thereof to the water system facilities of the Town of Bridgewater, Virginia (the "Project"); and

WHEREAS, the Board, acting as the governing body of Countryside in a duly called meeting immediately prior to the meeting hereof, has duly approved a resolution, entitled, "Resolution of Countryside Sanitary District", to authorize, among other things, (i) that certain Lease Agreement, by and between Countryside and the County, to be dated as of June 15, 2006, for the lease by Countryside of its facilities (including the Real Estate as defined therein) to the County, and the financing of the Project by the County and leaseback thereof to Countryside (the "Lease Agreement"); and (ii) that certain Assignment of Easements, from Countryside to the County, dated as of June 15, 2006, for the transfer by Countryside of the Easements to the County in connection with the financing of the Project, as described therein (the "Assignment"); and

WHEREAS, the Board, acting on behalf of the County, likewise, has determined that it would be in the best interests of the citizens of the County for the County to own and undertake the Project for purposes of financing the same, and to leaseback the Project (including the Real Estate and the Easements and being collectively referenced hereinafter as the "Project") to Countryside; and

WHEREAS, in order to provide funding for the Project, the County has applied to Virginia Resources Authority (the "VRA"), as Administrator of Virginia Water Supply Revolving Fund (the "Fund"), for the purchase of the County's lease revenue water system bond, and the VRA, as Administrator of the Fund, has agreed to do so in a Commitment Letter to the County, dated November 30, 2004 (a copy of which is attached hereto as **Exhibit A**), and in accordance with the terms of a Financing Agreement (the "Financing Agreement"), between the VRA, as Administrator of the Fund, and the County; and

WHEREAS, the County will issue its \$171,288 Rockingham County, Virginia Lease Revenue Water System Bond, Series 2006 (the "Bond") to the VRA, as Administrator of the Fund, and secure the payment thereof by (a) a pledge of all rentals, fees and other payments received by or due to the County under or on account of the Lease Agreement, (b) a non-binding obligation to appropriate from time to time monies as necessary to pay the difference, if any, between the available amount of Revenues (as defined in the Financing Agreement) and the debt service then due on the Bond (such arrangements being described pursuant to a Support Agreement, to be dated as of June 15, 2006, by and among the VRA, as Administrator of the Fund, Countryside and the County (the "Support Agreement"), and (c) any other monies as may be more particularly described in the Financing Agreement; and

WHEREAS, the foregoing arrangements will be effected pursuant to the following documents, the latest drafts of which have been described at (and/or presented to) this meeting:

- (a) Lease Agreement;

- (b) Assignment;
- (c) Financing Agreement;
- (d) Bond; and
- (e) Support Agreement.

NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF SUPERVISORS OF ROCKINGHAM COUNTY, VIRGINIA, as follows:

1. **Issuance and Sale of Bond; Designation Thereof.** Pursuant to the Constitution and statutes of the Commonwealth of Virginia, including the Virginia Public Finance Act of 1991, the Board hereby authorizes the issuance and sale to the VRA, as Administrator of the Fund, of a lease revenue water system bond of the County in the maximum principal amount of \$171,288 in order to provide funds to pay the cost of the Project for the benefit of Countryside. Such bond shall be designated, "\$171,288 Rockingham County, Virginia Lease Revenue Water System Bond, Series 2006" (the "Bond") and the proceeds thereof shall be used for such purposes and pursuant to the terms and conditions set forth in this Authorizing Resolution.

2. **Authorization of Financing Agreement.** The substantially final form of the Financing Agreement presented to this meeting is hereby approved. A copy thereof is attached hereto as **Exhibit B**. The Chairman and the Vice Chairman of the Board and the County Administrator, any one or more of whom may act, are each hereby authorized to execute and deliver the Financing Agreement in substantially such form, with such completions, omissions, insertions and changes not inconsistent with this Authorizing Resolution as may be approved by the officer executing the Financing Agreement, whose approval shall be evidenced conclusively by the execution and delivery thereof. The issuance and sale of the Bond shall be upon the terms and conditions of the Financing Agreement. The Chairman, the Vice Chairman and the County Administrator are each authorized to act as an Authorized Representative of the County for all purposes under the Financing Agreement. All capitalized terms used but not defined herein shall have the same meaning as set forth in the Financing Agreement.

3. **Authorization of Lease Agreement and Assignment.** The substantially final forms of the Lease Agreement and the Assignment as described and/or presented to this meeting are hereby approved, including the transactions contemplated thereunder. The Chairman and the Vice Chairman of the Board and the County Administrator, any one or more of whom may act, are each hereby authorized to execute and deliver the Lease Agreement and the Assignment in substantially such forms, with such completions, omissions, insertions and changes not inconsistent with this Authorizing Resolution as may be approved by the officer executing the same, whose approvals shall be evidenced conclusively by the execution and delivery thereof.

4. **Form and Details of the Bond.** The Bond shall be a single, fully registered Bond without coupons, shall be numbered R- 1, shall be dated as of the date of its delivery to the initial registered owner thereof upon payment therefor (the "Closing Date") shall bear a Cost of Funds at a rate not to exceed 3.25% per annum (representing 2.75% payable for the benefit of the Fund and 0.50% payable for the benefit of VRA as an administrative fee) and the principal amount thereof shall not exceed \$171,288. Installments shall be payable in lawful money of the United States of America by check or draft mailed to the registered owner of the Bond at its address as it appears on the registration books of the Registrar, except that the final installment shall be payable upon presentation and surrender of the Bond at the office of the Clerk of the Board, who is hereby appointed Registrar. If any installment is not paid within ten (10) days after its due date, the Authority shall be obligated to pay the registered owner an amount equal to five percent (5%) of the overdue installment.

The Bond shall provide for advances upon due requisition therefor. An authorized officer or agent of the VRA shall enter the amount and the date of such principal advance on the Certificate of Principal Advance attached to the Bond when the proceeds of such advance are so delivered to the County.

The maturity and the principal payment schedule shall be set forth in the form of the Bond and approved by the Chairman or Vice-Chairman of the Board, either of whom may act; provided, however, that the final maturity of the Bond shall be no later than December 31, 2028. The execution and delivery of the Bond, as described herein, shall conclusively evidence the principal amount, maturity and principal payment schedule of the Bond as having been so accepted as authorized by this Authorizing Resolution. The Bond shall be signed by the Chairman or Vice-Chairman of the Board, either of whom may act, shall be attested by the Clerk of the Board, and the County's seal shall be affixed thereto.

NEITHER COUNTRYSIDE NOR THE COMMONWEALTH OF VIRGINIA OR ANY OTHER POLITICAL SUBDIVISION OF THE COMMONWEALTH OF VIRGINIA INCLUDING THE COUNTY SHALL BE OBLIGATED TO PAY THE PRINCIPAL OF THE BOND OR ANY OTHER COSTS INCIDENT HERETO, INCLUDING COST OF FUNDS THEREUNDER, EXCEPT FROM THE REVENUES AND OTHER SECURITY PLEDGED THEREFOR, AND NEITHER THE FAITH AND CREDIT NOR THE TAXING POWER OF COUNTRYSIDE, THE COMMONWEALTH OF VIRGINIA OR ANY POLITICAL SUBDIVISION THEREOF, INCLUDING THE COUNTY, SHALL BE PLEDGED TO THE PAYMENT OF THE PRINCIPAL OF THE BOND OR OTHER COSTS INCIDENT HERETO, INCLUDING COST OF FUNDS THEREUNDER. NEITHER THE BOND NOR THE OBLIGATIONS OF THE COUNTY UNDER THE FINANCING AGREEMENT OR THIS AUTHORIZING RESOLUTION SHALL CONSTITUTE A DEBT OR A PLEDGE OF THE FAITH AND CREDIT OF COUNTRYSIDE, THE COMMONWEALTH OF VIRGINIA OR ANY POLITICAL SUBDIVISION THEREOF, INCLUDING THE COUNTY.

5. **Prepayment of Bond.** Installments of principal and Cost of Funds due on the Bond may be prepaid in accordance with the terms and provisions of the Financing Agreement. Prepayment of installments of principal shall not affect the obligation of the County to pay the remaining installments payable as provided above so long as any principal amount thereof remains outstanding. The County shall cause notice of such prepayment to be sent by registered or certified mail to the registered owner of the Bond at its address appearing on the registration books of the Registrar not less than ten (10) days prior to any prepayment date.

6. **Registration and Transfer of Bond; Persons Treated as Owners; Mutilated, Lost or Destroyed Bond.** Transfer of the Bond may be registered upon books maintained for that purpose at the office of the Registrar. Prior to due presentment for registration of transfer, the Registrar shall treat the registered owner as the person exclusively entitled to payment of principal and Cost of Funds and the exercise of all other rights and powers of the owner. Pursuant to instructions from the VRA, the Bond shall initially be registered in the name of VRA, as Administrator of the Fund with an address of 707 East Main Street, Suite 1350, Richmond, Virginia 23219, or such other address as the VRA may provide from time to time for such purpose.

If the Bond has been mutilated, lost or destroyed, the County shall execute and deliver a new Bond of like date and tenor in exchange and substitution for, and upon cancellation of, such mutilated Bond or in lieu of and in substitution for such lost or destroyed Bond; provided, however, that the County shall so execute and deliver such new Bond only if the registered owner has paid the reasonable expenses and charges of the County in connection therewith and, in the case of a lost or destroyed Bond, (a) has filed with the County evidence satisfactory to the Registrar that such Bond was lost or destroyed, and (b) has furnished to the Registrar satisfactory indemnity.

7. **Form of Bond.** The Bond shall be in substantially the form attached hereto as **Exhibit C**.

8. **Authorization of Additional Costs in Connection with the Bond.** As provided in the Financing Agreement, in addition to payment of principal and the Cost of Funds, the County shall pay, on demand, any costs and expenses of the Fund, VRA, or Virginia Department of Health with respect to enforcement of the Financing Agreement or collection thereunder, and hereby agrees to pay interest on any such additional payment not paid within ten (10) days of demand, at the rate of five percent (5%) per annum from the date due until the date paid.

9. **Security for the Bond.** The County hereby pledges to the VRA, as Administrator of the Fund, to secure the payment and performance of the County's obligations under the Bond and Financing Agreement, all of the County's right, title and interest to the revenues and receipts received by the County under the Lease Agreement or otherwise in connection with the water system of Countryside, including without limitation, the Project (as more particularly defined in the Financing Agreement, the "**Revenues**"), subject to the right to use the Revenues for the payment of the operating and maintenance expenses of the water system of Countryside. The pledge of the Revenues by the County to secure the Bond shall be valid and binding from and after the Closing Date. The Revenues, as received by the County, shall be immediately subject to the lien of this pledge without any physical delivery of them or further act. The pledge of the Revenues to secure the payment and performance of the County's obligations under the Bond and the Financing Agreement shall have priority over all subsequent obligations and liabilities of the County. The lien of this pledge shall be valid and binding against all parties having claims of any kind against the County regardless of whether such parties have notice of this pledge.

As required in the Financing Agreement, to the extent the Revenues are insufficient to pay (i) the debt service under the Bond, and (ii) the operation and maintenance expenses for the water system of Countryside, in full, as when due, the Board hereby undertakes a non-binding obligation to appropriate such amounts as may be requested from time to time, to the fullest degree and in such manner as is consistent with the Constitution and laws of the Commonwealth of Virginia. The Board, while recognizing that it is not empowered to make any binding commitment to make appropriations in future fiscal years in connection with the payment of the Bond, hereby states its intent to make such appropriations in future fiscal years, and, further, hereby recommends that future Boards of Supervisors do likewise in the event the Revenues are insufficient to pay the Bond when due, or any one or more of them. Nothing contained herein is or shall be deemed to be a lending of the full faith and credit of the County to any holder of the Bond, or any one or more of them, or to any other person, and nothing herein contained is or shall be deemed to be a pledge of the taxing power of Countryside or the County, nor shall anything herein contained legally bind or obligate the Board to appropriate funds for the purposes described herein. To such end, the substantially final form of the Support Agreement, a copy of which is attached hereto as **Exhibit D**, is hereby approved and confirmed. The Chairman and the Vice Chairman of the Board and the County Administrator, any one or more of whom may act, are each hereby authorized to execute and deliver the Support Agreement in substantially such form, with such completions, omissions, insertions and changes not inconsistent with this Authorizing Resolution as may be approved by the officer executing the Support Agreement, whose approval shall be evidenced conclusively by the execution and delivery thereof.

10. **Other Actions.** All other actions of officers of the County in conformity with the purposes and intent of this Authorizing Resolution and in furtherance of the issuance and sale of the Bond are hereby ratified, approved and confirmed. The officers of the County are hereby authorized and directed to execute and deliver all certificates and any other instruments considered necessary or desirable in connection with the issuance, sale and delivery of the

Bond pursuant to this Authorizing Resolution and the Financing Agreement or as otherwise may be required by law and advised by legal counsel.

11. **Effective Date.** This Authorizing Resolution shall take effect immediately.

Approved: June 14, 2006

Chairman, Board of Supervisors of
Rockingham County, Virginia

CERTIFICATE OF VOTES

The undersigned Clerk of the Board of Supervisors of Rockingham County, Virginia, hereby certifies that the foregoing constitutes a true and correct copy of the Authorizing Resolution duly adopted by the Board of Supervisors at a regular meeting duly held and called on June 14, 2006, after the holding of a duly noticed public hearing thereon. A record of the roll-call vote by the Board of Supervisors is as follows:

	AYE	NAY	ABSTAIN	ABSENT
Michael A. Breeden, Chairman	X			
Dee E. Floyd				X
Pablo Cuevas	X			
Charles W. Ahrend	X			
William B. Kyger	X			

Dated: June 14, 2006

[SEAL]

Clerk, Board of Supervisors of
Rockingham County, Virginia

- Exhibit A - November 30, 2004 Letter from VRA
- Exhibit B - Form of Financing Agreement
- Exhibit C - Specimen Bond
- Exhibit D - Form of Support Agreement

oooooOooooo

APPOINTMENTS .

On motion by Supervisor Cuevas, seconded by Supervisor Kyger and carried by a vote of 4 to 0, voting recorded as follows: AHREND - AYE; BREEDEN - AYE; CUEVAS - AYE; KYGER - AYE; the Board:

Appointed as Road Viewers: Joseph Derrow (District 1), Harold Ritchie (District 2), David Rees (District 3), Steven A. Schofield (District 4) and Elwood

Shifflett (District 5); and agreed to continue pay at \$50 per day plus lunch.

Recommended to the Circuit Court that A. Wesley Graves, IV, be reappointed to the Community Services Board for a three-year term expiring on June 30, 2009.

Recommended Stephen C. Tate for reappointment to the Board of Zoning Appeals.

oooooOooooo

MEDICAL SERVICES FOR THE ROCKINGHAM COUNTY JAIL.

On motion by Supervisor Ahrend, seconded by Supervisor Cuevas and carried by a vote of 4 to 0, voting recorded as follows: AHREND - AYE; BREEDEN - AYE; CUEVAS - AYE; KYGER - AYE; the Board selected Southern Health Partners to provide medical services for the Rockingham County Jail and authorized staff to move forward with the contract renewal, including execution of the agreement by the County Administrator.

oooooOooooo

COMMITTEE REPORTS.

The Board heard committee reports from Board members and staff.

On motion by Supervisor Kyger, seconded by Supervisor Ahrend and carried by a vote of 4 to 0, voting recorded as follows: AHREND - AYE; BREEDEN - AYE; CUEVAS - AYE; KYGER - AYE; as recommended by the Automobile Committee, the Board awarded the bid for a 2006 Ford Explorer 4X4 to be purchased under State Contract for \$19,957.

oooooOooooo

CLOSED MEETING.

On motion by Supervisor Kyger, seconded by Supervisor Ahrend and carried by the following vote: AHREND - AYE; BREEDEN - AYE; CUEVAS - AYE; FLOYD - ABSENT; and KYGER - AYE; the Board recessed the meeting from 8:10 to 9:59 p.m., in accordance with State Code Sections 2.2-3711(A)(5) for discussion of a economic development, (7) consultation with legal counsel and (1) personnel matters.

At 9:59 p.m., Chairman Breedon called the meeting back to order and the following motion was adopted.

MOTION: SUPERVISOR KYGER RESOLUTION NO: X06-10
SECOND: SUPERVISOR AHREND MEETING DATE: JUNE 14, 2006

CERTIFICATION OF CLOSED MEETING

WHEREAS, the Rockingham County Board of Supervisors has convened a Closed Meeting on this date pursuant to an affirmative recorded vote and in accordance with the provisions of The Virginia Freedom of Information Act; and

WHEREAS, Section 2.2-3712 of the Code of Virginia requires a certification by this Board of Supervisors that such Closed Meeting was conducted in conformity with Virginia law;

NOW, THEREFORE, BE IT RESOLVED that the Rockingham County Board of Supervisors hereby certifies that, to the best of each member's knowledge, (i) only public business matters lawfully exempted from open meeting requirements by Virginia law were discussed in the Closed Meeting to which this certification resolution applies; and (ii) only such public business matters as were identified in the motion convening the Closed Meeting were heard, discussed or considered by the Board of Supervisors.

VOTE:
AYES: AHREND, BREEDEN, CUEVAS, KYGER
NAYS: NONE
ABSENT: FLOYD

oooooOooooo

ADJOURNMENT.

At 9:59 p.m., Chairman Breedon declared the meeting adjourned.

oooooOooooo

_____,
Chairman